

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

HB 1777 – SB 2000

April 15, 2009

SUMMARY OF AMENDMENT (006298): Deletes the original bill in its entirety. Eliminates temporary total disability reductions when calculating the “maximum total benefit” in certain workers’ compensation claims. Establishes a specific time frame for which an employee claiming a mental injury is conclusively presumed to have reached maximum medical improvement.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$12,400/Risk Management Fund

Assumptions applied to amendment:

- Few workers’ compensation claims for permanent partial disability and temporary total disability ever reach the “maximum total benefit.”
- Based on historical data concerning workers’ compensation claims, it is estimated that one claim every five years will be impacted by the provisions of the bill and that claim will result in an increase state in expenditures of \$62,000 to the Risk Management Fund.
- The annual impact of the bill is estimated to be \$12,400 ($\$62,000/5 = \$12,400$).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

HB 1777 – SB 2000

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/cce